

43521 Mayhugh Hill Road • Twp. Hwy. 88 • Beallsville, OH 43716

PHONE: (740) 926-9152 FAX: (740) 926-9138

JUN 2 1 2013

Central District Office Ohio EPA

June 19, 2013

Delivered via Hand Delivery

Ohio Environmental Protection Agency Permits Section Lazarus Government Center 50 W. Town Street, Ste. 700 PO Box 1049 Columbus, Ohio 43216-1049

RE: NPDES Permit No. 0IL00159*AD

Public Notice No. OEPA 12-10-048 DFT (Issued October 30, 2012)

American Energy Corporation - Century Mine - Bennoc Refuse Disposal Area

Dear Sirs and Mesdames:

The attachments to this letter set forth the comments of American Energy Corporation ("AEC") regarding the draft NPDES permit for the Century Mine / Bennoc Refuse Disposal Area located at 43521 Mayhugh Road, Washington Township, Belmont County. These comments, demonstrate that, based on Ohio EPA's water quality data for the Captina Creek watershed, (1) the proposed permit limits for Total Dissolved Solids (TDS) and Sulfate are not necessary for the protection of the exceptional biological community in this watershed, (2) these limits have been arbitrarily and capriciously imposed on the coal industry, and (3) the treatment necessary to comply with these limits is neither technically feasible nor economically reasonable, therefore these limits should be removed from the permit.

Sulfate and TDS limits should not be imposed on dischargers to Ohio streams, including the Captina and Piney Creek watersheds, unless there is a demonstrated need for these limits. Relative to the subject NPDES Permit, Ohio EPA has not provided any information that demonstrates the need for Sulfate and TDS limits in the Captina and Piney Creek watersheds. Moreover, there has not been any public review of Ohio EPA's belief that these limits are necessary to prevent harmful effects these streams. Ohio's industries deserve a transparent process for introducing new significant changes to the water quality limits that will have a significant impact on their ability to operate. The Ohio EPA must provide its own evaluation of these important and critical issues before imposing unattainable requirements in discharge permits.

Assuming there is a demonstrated need for Sulfate and TDS limits in in the Captina and Piney Creek watersheds, then these limits should be applied to all significant discharges, not just the coal industry. However, permits in this same watershed have recently been issued for high volume discharges from municipal wastewater treatment plants that do not contain TDS limits. Such selective regulation is arbitrary and capricious and without justification.

Ohio Environmental Protection Agency June 19, 2013 Page 2

Further, the proposed permit limits and conditions and the additional controls necessary for compliance with the proposed permit requirements are neither technically feasible nor economically reasonable. If the proposed requirements are not removed, the cost of the additional treatment will result in the closure of the above-referenced facility, with significant adverse social and economic impact to the citizens of the state of Ohio.

If AEC is forced to close this facility, the families and local governments in Southeast Ohio will be impacted the greatest, due to the loss of high paying jobs and the corresponding revenues to the local economies. It is incomprehensible that the Ohio EPA would issue a permit that would have such a significant negative social and economic impact to this region, when there is no demonstrated environmental benefit.

We appreciate Ohio EPA's diligence in promptly considering these comments and working with us to resolve this serious matter.

AEC reserves the right to raise in an appeal of this permit assignments of error in addition to those issues that are the subject of comments.

If you have any questions regarding these comments, please feel free to contact me.

Sincerely,

AMERICAN ENERGY CORPORATION

Kevin R. Hughes

Vice President, Operations and General Manager

KRH/drj Enclosures

cc: Stephen P. Samuels, Esq.

C. Crellin Scott

ATTACHMENTS

Comments of American Energy Corporation ("AEC")
Regarding NPDES Permit No. 0IL00159*AD
Public Notice No. OEPA 12-10-048 DFT (issued October 30, 2012)

AEC incorporates by reference its previous comments (and supporting documentation) regarding the draft permit, specifically:

(Attachment 1) a letter dated September 15, 2012, from Jon Nagel to Bruce Goff;

(Attachment 2) a letter dated November 28, 2012 from Stephen P. Samuels to Ohio EPA; and,

(Attachment 3) AEC incorporates by reference the attached Critical Analysis of Proposed TDS and Sulfate Limits and its appendices:

- A. The Ohio Valley Coal Company Withdrawal and Discharge to Captina Creek 2006-2012;
- B. AEC, Response to Comments for NPDES 0IL00159, dated September 15, 2012;
- C. Topographic Map of Ohio; and
- D. Bennoc Facility Layout Map.